

## **ATTACHMENT 1**

### **Response to Question 9**

This Application qualifies for streamlined processing under Section 63.12(c)(1)(ii), 47 C.F.R. § 63.12(c)(1)(ii) of the Commission's Rules because XA, Inc. ("XA") qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission's Rules. XA is entitled to non-dominant treatment on the U.S.-Hong Kong, U.S.-Japan and U.S.-Singapore routes. XA's affiliated foreign carriers in Hong Kong (XA TMI Limited and XA Alliance Limited), Japan (XA TMI Limited and XA Alliance K. K.) and Singapore (XA TMI Limited and XA Alliance Pte Ltd) are new entrants in those destination markets and, thus, lack sufficient market power to affect competition adversely in the U.S. market. These foreign carriers have trivial market shares, and compete directly with carriers the FCC has previously classified as dominant--Hong Kong Telecom (Hong Kong), Kokusai Denshin Denwa Co., Ltd. and Nippon Telegraph & Telephone Corporation (Japan), and Singapore Telecom (Singapore). Moreover, none of these foreign carriers control bottleneck facilities in Hong Kong, Japan or Singapore. Accordingly, pursuant to Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. § 63.10(a)(3), XA is entitled to non-dominant status on the U.S.-Hong Kong, U.S.-Japan and U.S.-Singapore routes.

### **Response to Question 11**

XA Alliance, XA's parent corporation, has ownership interests in several foreign carriers, as the term "foreign carrier" is defined in Section 63.09(d) of the Commission's Rules. 47 C.F.R. § 63.09(d). Through these interests, XA is "affiliated" with foreign carriers within the meaning of Section 63.09(e) of the FCC's Rules. 47 C.F.R. § 63.09(e). XA is affiliated with the following foreign carriers:

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- (a) XA TMI Limited (“XA TMI”): XA Alliance directly owns 99.99 percent of XA TMI, which holds licenses to provide telecommunications services in Hong Kong, Singapore and Japan. XA TMI provides international telecommunications services in these countries.
- (b) XA Alliance Limited (“XA Hong Kong”): XA Alliance directly owns 99 percent of XA Hong Kong, which holds a license to provide telecommunications services in Hong Kong. XA Hong Kong commenced provision of international telecommunications services in Hong Kong in the third quarter of 2001.
- (c) XA Alliance K. K. (“XA Japan”): XA Alliance directly owns 100 percent of XA Japan, which holds a license to provide telecommunications services in Japan. XA Japan commenced provision of international telecommunications services in Japan in the third quarter of 2001.
- (d) XA Alliance Pte Ltd (“XA Singapore”): XA Alliance directly owns 100 percent of XA Singapore, which holds a license to provide telecommunications services in Singapore. XA Singapore commenced provision of international telecommunications services in the third quarter of 2001.

**Response to Question 12**

XA certifies that:

- (1), (2) It does not seek to provide international telecommunications services to any destination country in which it is a foreign carrier or controls a foreign carrier.
- (3) No foreign carriers own more than 25 percent of XA; however, XA seeks to serve certain destination countries in which XA Alliance, XA’s parent corporation, is affiliated with foreign carriers. These foreign carriers and

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destination countries are: XA TMI (Hong Kong, Japan and Singapore), XA Hong Kong (Hong Kong), XA Japan (Japan) and XA Singapore (Singapore). All of these countries are members of the World Trade Organization.

- (4) Other than XA Alliance (*see* paragraph (j)(3) above), no foreign carrier, and no party that controls a foreign carrier, controls more than 25 percent of XA.